

(b) *SBA's Decision.* The D/HUB or designee will consider the reasons for proposed decertification and the qualified HUBZone SBC's response before making a written decision whether to decertify. The D/HUB may draw an adverse inference where a qualified HUBZone SBC fails to cooperate with SBA or provide the information requested. The D/HUB's decision is the final agency decision.

(c) *Decertifying Pursuant to a Protest.* SBA will decertify a qualified HUBZone SBC and remove its name from the List without first proposing it for decertification if the D/HUB upholds a protest pursuant to §126.803 and the D/HUB's decision is not overturned pursuant to §126.805.

[69 FR 29424, May 24, 2004, as amended at 70 FR 51250, Aug. 30, 2005]

**§ 126.504 When is a concern removed from the List?**

If SBA determines at any time that a HUBZone SBC is not qualified, SBA may de-certify the HUBZone SBC, remove the concern from the List, and seek imposition of penalties pursuant to §126.900. An adverse finding in the resolution of a protest also may result in de-certification and removal from the List, and the imposition of penalties pursuant to §126.900. Failure to notify SBA of a material change which could affect a concern's eligibility will result in immediate de-certification, removal from the List, and SBA may seek the imposition of penalties under §126.900.

[63 FR 31908, June 11, 1998. Redesignated at 69 FR 29424, May 24, 2004]

**Subpart F—Contractual Assistance**

**§ 126.600 What are HUBZone contracts?**

HUBZone contracts are contracts awarded to a qualified HUBZone SBC through any of the following procurement methods:

- (a) Sole source awards to qualified HUBZone SBCs;
- (b) Set-aside awards based on competition restricted to qualified HUBZone SBCs; or
- (c) Awards to qualified HUBZone SBCs through full and open competi-

tion after a price evaluation preference in favor of qualified HUBZone SBCs.

**§ 126.601 What additional requirements must a qualified HUBZone SBC meet to bid on a contract?**

(a) The Federal Acquisition Regulatory Council (FAR Council) has the responsibility of adjusting each acquisition-related dollar threshold on October 1 of each year that is evenly divisible by five. Acquisition-related dollar thresholds are defined as dollar thresholds that are specified in law as a factor in defining the scope of the applicability of a policy, procedure, requirement, or restriction provided in that law to the procurement of property or services by an executive agency as determined by the FAR Council. 41 U.S.C. 431a(c). Part 126, Subpart F, Contract Assistance, contains acquisition-related dollar thresholds subject to inflationary adjustments. The FAR Council shall publish a notice of the adjusted dollar thresholds in the FEDERAL REGISTER. The adjusted dollar thresholds shall take effect on the date of publication.

(b) In order to submit an offer on a specific HUBZone contract, the qualified HUBZone SBC, together with its affiliates, must be small under the size standard corresponding to the NAICS code assigned to the contract.

(c) A firm must be a qualified HUBZone SBC both at the time of its initial offer and at the time of award in order to be eligible for a HUBZone contract.

(d) At the time a qualified HUBZone SBC submits its initial offer, and where applicable its final offer, on a specific HUBZone contract, it must certify to the CO that:

- (1) It is a qualified HUBZone SBC that appears on SBA's List;
- (2) There has been no material change in its circumstances since the date of certification shown on the List that could affect its HUBZone eligibility;
- (3) It is small under the NAICS code assigned to the procurement; and
- (4) If the qualified HUBZone SBC was certified pursuant to §126.200(b), it must represent that it will "attempt to maintain" (See §126.103) the required percentage of employees who are